



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



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Re: In-kind match for FTA funds

The Department will allow nonprofit subrecipients to use in-kind match for FTA funds as permitted by FTA and OMB guidelines. See Appendix B of 2 CFR Part 230 (OMB Circular A-122) at the following link:

http://www.whitehouse.gov/sites/default/files/omb/assets/omb/fedreg/2005/083105_a122.pdf

In order to be eligible as match, the services must meet the criteria stated in 2 CFR Part 215.23 (OMB Circular A-110), found at the following link:

<http://www.whitehouse.gov/sites/default/files/omb/assets/omb/circulars/a110/2cfr215-0.pdf>

In summary, these criteria require that the in-kind services must be:

1. verifiable from the [sub]recipient's records
2. not included as contributions [match] to any other federally-assisted project or program
3. necessary and reasonable for the project
4. allowable under the cost principles
5. not paid by the federal government under another award
6. included as a cost in the project budget

In-kind contributions are eligible to be counted toward the local match only if the value of each is formally documented and supported, and represents a cost which would otherwise be eligible under the project. Subrecipients will be required to provide documentation of in-kind match, including valuation methodology. For example, volunteer labor rates should be consistent with the rate paid for similar work within the subrecipient's organization. Time worked should be documented monthly and time reports shall be signed by the volunteer and agency. See Part 215.23 for more detailed guidance.

Illustration: Out of pocket expenses for fuel, dispatch, and insurance total \$2,000 and donated volunteer driver time is valued at \$1,400. Total cash outlays = \$2,000 and total project cost = \$3,400. Assuming a 50% match, the amount eligible for reimbursement would be \$1,700, so the actual cash required to pay the expenses would be \$300. See table below.

	Cash Outlays	In-Kind Contributions	Total Project Cost	% FTA Share	Eligible Amt	Reimbursable Amt	Local Match Required	Out-of-Pocket Cash Match Needed
	A	B	C	D	E	F	G	H
			= A + B		= D x C	Limited to the lesser of eligible amount (E) or the cash outlays (A)	= C - F	Local Match required minus in-kind (G - B)
Totals	\$ 2,000	\$ 1,400	\$3,400	50%	\$ 1,700	\$ 1,700	\$ 1,700	\$ 300

The value of donated services is not reimbursable either as a direct or indirect cost. However, the value of donated services may be used to meet cost sharing or matching requirements. The value of donated services must be reflected as an expense on the Attachment A, object code 530.00 Contributed Services and a corresponding amount must be shown as In-kind revenue match.